



**Wisconsin
Right to Life, Inc.**

**POLITICAL
ACTION
COMMITTEE**

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RECEIVED
FEDERAL ELECTION
COMMISSION
December 8, 1998
DEC 14 1 15 PM '98

Richard Ng
Federal Election Commission
Washington, DC

Dear Mr. Ng,

This letter is response to the December 3 letter from John D. Gibson who has asked us to clarify three items in regard to our 12 Day Pre-Primary Report (7/1/98-8/19/98).

1. Mr. Gibson states that "failure to make payments to your connected organization prior to the use of the mailing list could result in prohibited corporate contributions." Mr. Gibson then asks us to establish that payments were made to our connected organization, Wisconsin Right to Life, Inc., prior to the use of the mailing list by providing the dates that the independent expenditures were made, the dates that the mailing list was used and the dates the connected organization was reimbursed for use of the mailing list.

According to s. 116.2 (e) (2) of the Code of Federal Regulations - Federal Elections, the definition of "Extension of Credit" includes "Any agreement between the creditor and the political committee that the political committee will have additional time to pay the creditor beyond the previously agreed to due date. In this section, "creditor" means "any person or entity to whom a debt is owed."

I also call your attention to s. 116.3 (b) (1) (2) (3). In that section, "Incorporated Vendor" is defined as "A corporation in its capacity as a commercial vendor may extend credit to a candidate, a political committee or another person on behalf of a candidate or political committee provided that the credit is extended in the ordinary course of the corporation's business and the terms of credit to nonpolitical debtors that are of similar risk and size of obligation." This section then sets forth several criteria in order to determine whether an extension of credit is part of the "ordinary course of business."

For years, our connected organization Wisconsin Right to Life, Inc., has rented its mailing list, at fair market value, to numerous federal and state candidates as well as the Wisconsin Right to Life PAC. In all cases, Wisconsin Right to Life, Inc. charges fair market value to those who rent the list with payment expected within 30 days.

Wisconsin Right to Life, Inc. has granted the Wisconsin Right to Life PAC and others extensions to complete full payment of the list rental. In granting such extensions, Wisconsin Right to Life, Inc. expects regular payments to be made or else face paying interest to Wisconsin Right to Life, Inc. for late payment. These are the same stipulations placed on any entity or person who rents the Wisconsin Right to Life, Inc. list. The manner in which Wisconsin Right to Life, Inc. deals with the Wisconsin Right to Life PAC's rental of the mailing list is well within their "ordinary course of business."

The Code of Federal Regulations, as it pertains to Federal Election activity, nowhere states that it is illegal to carry out an independent expenditure prior to making full payment to a creditor, even if that creditor is an "incorporated vendor." According to the Code, the only way this transaction would, in any way, be open to question is if the Wisconsin Right to Life PAC stopped making payments and Wisconsin Right to Life, Inc. "ate" the cost. But even then, the Commission has latitude in determining whether that is illegal. (s.116.4 (b) (1) (2).) At any rate, Wisconsin Right to Life PAC has always paid in full for the rental of the list, even though it has been done in installments.

As we stated in our previous letter to the Commission on this matter, Wisconsin Right to Life PAC has been renting the mailing list of Wisconsin Right to Life, Inc. in exactly the same manner for years. That is, the debt was paid off in installments even while the list was being used for election activities. These transactions have always been fully reported to the Commission in past election cycles and have never been previously questioned. We are absolutely confident that these are legal transactions as stipulated in the Federal Code. We are certain that the Commission would have questioned them long ago had they been problematic.

2. Mr. Gibson has asked us to clarify why items for "wages for time spent on direct election activities" are listed as independent expenditures. Whenever we put together an election activity that is an independent expenditure, we have been reporting all expenses related to that activity as independent expenditures. The portion of an individual's salary commensurate with the time they spent putting together an independent expenditure have been expenses that we have reported as independent expenditures. We wanted to be sure to report, as independent expenditures, all expenses related to carrying out independent expenditures.

Please advise us as to whether the Commission wishes us to continue to report these wages as independent expenditures or whether they should be reported as disbursements.

3. The outstanding balances owed to Alan Neuwirth, A to Z Printing, TQ Mail and First Breath Alliances that appear on this report were subsequently paid in full and are reported as such on the next report (October 15 Quarterly). I have enclosed Schedule D from both of those reports.

Sincerely,



Susan Armacost, Assistant Treasurer

Name of Committee (in Full)

Wisconsin Right to Life PAC

A. Full Name, Mailing Address and ZIP Code of Debtor or Creditor
 Wisconsin Right to Life, Inc.
 10625 W. North Ave.
 Milwaukee, Wis.
 53226

Outstanding
Balance Beginning
This Period

\$5325

Amount
Incurred
This Period

\$8675

Payment
This
Period

\$14,000

Outstanding
Balance at Close
of This Period

0

Nature of Debt (Purpose):

Rental of mailing list *

* On our last report, we indicated the first installment due for rental of the WRL, Inc. list. However, in this period, the PAC was able to pay the entire amount due of \$14,000.

Nature of Debt (Purpose):

C. Full Name, Mailing Address and ZIP Code of Debtor or Creditor

A to Z Printing
 6535 River Pkwy.
 Wauwatosa, WI 53213

\$3442.56

0

3442.56

0

Nature of Debt (Purpose):

Printing of brochure

D. Full Name, Mailing Address and ZIP Code of Debtor or Creditor

Alan Newirth
 (address not available -
 will put in next
 report)

\$(estimate)
 412.00

0

0

\$(estimate)
 412.00

Nature of Debt (Purpose):

Typesetting

E. Full Name, Mailing Address and ZIP Code of Debtor or Creditor

A to Z Printing
 6535 River Pkwy.
 Wauwatosa, WI 53213

estimate
 \$2300

0

0

estimate
 \$2300

Nature of Debt (Purpose):

Printing of Newsletter

F. Full Name, Mailing Address and ZIP Code of Debtor or Creditor

T G mail
 2738 S. 163rd St.
 New Berlin, Wis. 53151

\$(estimate)
 1150

0

0

\$(estimate)
 1150
 estimate

Nature of Debt (Purpose):

mailing service chgs

1) SUBTOTALS This Period This Page (optional)

386.2

2) TOTALS This Period (last page in this time only)

3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)

4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)

7/1/98 - 8/19/98

Pre-Primary
Report

7/1/98 - 8/19/98 Page 2 of 2
 Pre-Primary

SCHEDULE D
 (Revised 3/80)

DEBTS AND OBLIGATIONS
 Excluding Loans

FILE NUMBER
 and amounts scheduled
 for each numbered line

Name of Debtor (in Full)	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payments This Period	Outstanding Balance at Close of This Period
Wisconsin Right to Life PAC First Breath Alliance	estimate \$4000	0	0	estimate \$4000
Nature of Debt (Purpose):	rental of list			
B. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Nature of Debt (Purpose):				
C. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Nature of Debt (Purpose):				
D. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Nature of Debt (Purpose):				
E. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Nature of Debt (Purpose):				
F. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Nature of Debt (Purpose):				
1) SUBTOTALS This Period This Page (optional)				\$4000
2) TOTALS This Period (last page in this line only)				
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)				
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				\$781.0

From: Oct 15
Quarterly

SPD-9/30

SCHEDULE D
(Revised 3/80)

Excluding Loans

(Use separate schedules for each numbered line)

Name of Contributor (in Full)	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Wisconsin Right to Life PAC				
A. Full Name, Mailing Address and ZIP Code of Debtor or Creditor A to Z Printing 6535 River PKWY Wauwatosa, WI 53213	\$2300 (estimate)	0	\$2742.90	0
Nature of Debt (Purpose): printing of flyer/brochure				
B. Full Name, Mailing Address and ZIP Code of Debtor or Creditor Alan Neuwirth 4618 W. Carter Pl. Milwaukee, WI 53216	\$412 (estimate)	0	\$412.50	0
Nature of Debt (Purpose): Type setting				
C. Full Name, Mailing Address and ZIP Code of Debtor or Creditor TA Mail 2738 S. 163rd St. New Berlin, WI 53151	\$1150 (estimate)	0	\$1089.06	0
Nature of Debt (Purpose): mailing service chgs				
D. Full Name, Mailing Address and ZIP Code of Debtor or Creditor First Breath Alliance P.O. Box 222 Kohler, Wisc 53044	\$4000 (estimate)	0	2350.00 2650.00	0
Nature of Debt (Purpose): Data entries / list rentals				
E. Full Name, Mailing Address and ZIP Code of Debtor or Creditor A to Z Printing 6535 River PKWY Wauwatosa, WI 53213	\$4000 (estimate)	0	0	\$4000
Nature of Debt (Purpose): printing of newsletter				
F. Full Name, Mailing Address and ZIP Code of Debtor or Creditor				
Nature of Debt (Purpose):				

1) SUBTOTALS This Period This Page (optional)

2) TOTALS This Period (last page in this line only)

3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)

4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)

\$4000

Federal Election Commission

**ENVELOPE REPLACEMENT PAGE
FOR INCOMING DOCUMENTS**

The Commission has added this page to the end of this filing to indicate how it was received.

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AA PREPARER	12/14/98 DATE PREPARED